IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE C.N.RAMACHANDRAN NAIR
&
THE HONOURABLE MR. JUSTICE K.M.JOSEPH

TUESDAY, THE 31ST OCTOBER 2006 / 9TH KARTHIKA 1928

ITA.No. 231 of 2002()

ITA.295/COCH/1998 of I.T.A.TRIBUNAL,COCHIN BENCH
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APPELLANT/RESPONDENT IN ITA.NO.295/C/98

M/S. K. SREEDHARAN & CO.,
REPRESENTED BY PARTNER K.SREEDHARAN,
THALIKKAVU, CANNANORE.

BY ADV. SRI.P.BALACHANDRAN
SRI.PREETHA S.NAIR

RESPONDENTS: RESPONDENT/APPELLANT IN ITA NO.295/C/98
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1. DEPUTY COMMISSIONER OF INCOME TAX
(ASSESSMENT), SPECIAL RANGE, CALICUT.

2. THE COMMISSIONER OF INCOME TAX,
CALICUT.

BY ADV. SRI.GEORGE K. GEORGE, SC FOR IT

THIS INCOME TAX APPEAL HAVING BEEN FINALLY HEARD ON 31/10/2006 THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

C.N.RAMACHANDRAN NAIR &
K.M.JOSEPH, JJ.

I.T.A. NO. 231 OF 2002

Dated this the 31st day of October, 2006

JUDGMENT

Ramachandran Nair,J.

Heard counsel for the appellant, and standing counsel for the department. Questions raised pertain to estimation of sale price of arrack after rejection of books of accounts. Even though similar dealers and appellant's sister concern returned profit in sale of arrack during 1994-95, strangely appellant's accounts disclosed a loss of over Rs. 12 lakhs. The Assessing Officer after elaborate consideration of similar business of other dealers during the year and that of the appellant's sister concern, fixed the sale price at Rs. 116/- which was reduced by the Tribunal to Rs. 110/- after reversing the acceptance of sale price at Rs. 102/- by the Commissioner of Income-tax (Appeals). We are of the view that the findings of the Tribunal are purely on facts, and that too based on materials. We do not find any question of law arising from the order of the Tribunal. We accordingly dismiss the appeal.

(C.N.RAMACHANDRAN NAIR)
Judge

(K.M.JOSEPH)
Judge